Centran Bancshares Corporation
Annual Report 1972

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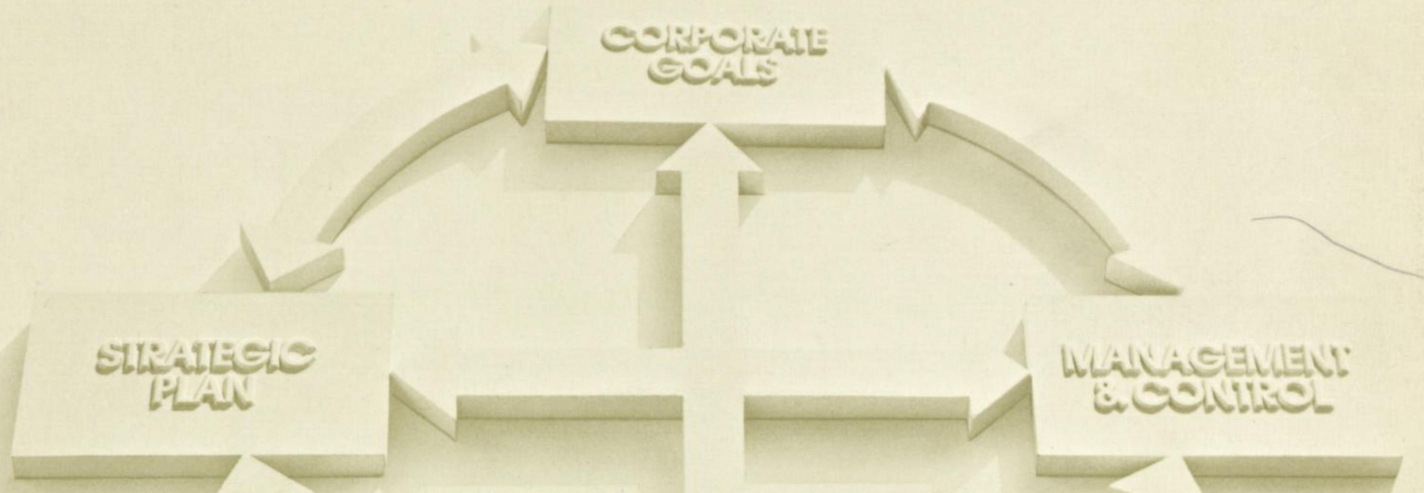
CORPORATION FILE

ORGANIZING FOR GROWTH

John A. Gelbach


CORPORATE GOALS
STRATEGIC PLAN
MANAGEMENT & CONTROL
PEOPLE

About the Cover
The cover design symbolizes the interrelationship between goals, planning, management and people.

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Transfer Agent: Central National Bank of Cleveland
Co-Transfer Agent: Chase Manhattan Bank, N. A.
New York, N. Y.

Common Shares of Centran Bancshares Corporation are traded Over-the-Counter and are included in the NASDAQ network.

Shareholders as of January 24, 1973, were 11,599.

The Annual Meeting of Shareholders of Centran Bancshares Corporation will be held Tuesday, April 3, beginning at 9:30 a.m. in the West Ballroom of the Hollenden House Hotel, 610 Superior Ave., N. E. in downtown Cleveland.

1972 Highlights

For the Year	1972	1971
Income Before Security Transactions	$ 11,714,000	$ 10,820,000
Securities Gains (Losses) Net of Taxes	423,000	(643,000)
Net Income	12,137,000	10,177,000
Return on Shareholders' Equity:		
Income Before Security Transactions	10.99%	11.28%
Net Income	11.38%	10.61%
Average Common Shares Outstanding	3,930,547	3,706,160
Per Share		
Income Before Security Transactions	$ 2.98	$ 2.92
Securities Gains (Losses) Net of Taxes	.11	(.17)
Net Income	3.09	2.75
Cash Dividends Declared	1.70	1.60
Shareholders' Equity	27.72	26.30
At Year End		
Total Assets	$1,919,207,000	$1,677,004,000
Total Deposits	1,582,495,000	1,406,895,000
Total Loans	1,109,434,000	967,940,000
Common Shares Outstanding, Less Treasury Shares	3,791,287	3,706,287

Letter to Shareholders

The financial highlights for the year 1972, Centran's first year of operation, appear on the opposite page. Income Before Security Transactions was $11,714,000 or $2.98 per share compared with restated 1971 earnings of $10,820,000 or $2.92 per share. Net income amounted to $12,137,000 or $3.09 per share, compared with restated net income of $10,177,000 or $2.75 per share in 1971.

Results for the year 1972 are based on the full year performance of all of Centran's affiliates. Financial data for the year 1971 have been restated to include the Mid-Ohio group of banks which were acquired June 30, 1972 in a pooling-of-interests transaction. However, the American Bank of Commerce, which was acquired at year-end 1971 in a purchase transaction, is included in 1972 results only.

At year-end 1972, total loans on a consolidated basis were over $1 billion and total assets were close to the $2 billion mark.

As stated above, the acquisition of Mid-Ohio Banc-Shares was completed on June 30, 1972. At that time, Mid-Ohio Banc-Shares was dissolved as a corporate entity. However, it continues to function as a division of Centran with The Richland Trust Company, formerly the lead bank, continuing to provide many services and supervisory functions for the two smaller banks in the group — The Sutton State Bank of Attica and The Farmers and Savings Bank of Loudonville.

In line with Centran's goal of becoming a diversified financial holding company within the limits set by the Bank Holding Company Act, agreements were reached late in 1972 to acquire two consumer finance companies: Peoples Investment Company, headquartered in Louisville, Kentucky, which also operates in Nashville, Tennessee and Cincinnati, Ohio and Major Finance Company of Silver Spring, Maryland, which operates in the Maryland and Virginia suburbs of Washington, D.C. These acquisitions are currently awaiting approval by the Federal Reserve Board.

The management of Centran believes diversification, both geographic and functional, through acquisitions and the formation of de novo affiliates, is the best way to achieve corporate earnings goals. However, your management recognizes that in order for diversification to result in desired earnings growth new affiliates, once acquired, must be properly managed and controlled.

Centran's philosophy of management and control along with recent executive and organizational changes designed to implement these policies are discussed in a special section of this report.

As the year 1973 unfolds, the economic expansion which began in late 1970 is gaining momentum. In spite of the fact that the recovery is almost two and a half years old, there still appears to be sufficient resources to accommodate further growth. Moreover, the expansion continues to be broad-based with no major bottlenecks or imbalances having as yet developed.

Thus 1973 is shaping up as a good year for the economy. This should result in high levels of demand for credit of all types and a good year for the banking industry and other financial institutions. We at Centran believe our affiliates are well positioned to take advantage of this favorable environment.

Chairman and President

February 27, 1973

Organizing for Growth

From time to time in the life of any corporation, it is important that management attempt to bring into focus four important questions: Where do we want to go? How do we get there? How will we manage and control? Who will manage and control?

Self appraisal is particularly appropriate at the current stage of Centran's evolution as a bank holding company. Consequently, the development of a long range strategic plan was one of our top priorities during the past year.

Setting Corporate Goals

Centran Bancshares Corporation was formed by Central National Bank of Cleveland for a definite purpose —to increase growth and earnings potential by taking advantage of the opportunities for functional and geographic diversification offered by the holding company form of corporate structure. Shortly after Centran became operational at year-end 1971, a Strategic Planning Committee was established and charged with recommending specific corporate goals and the means to attain them. This committee was composed of senior officers of Centran and Central National Bank, representing a wide range of functional responsibilities.

To be effective, a committee of this nature needs a full-time coordinator. Forde U. Steele, Senior Vice President of Central National Bank, was given this assignment. In the early 1960's, Steele had directed a similar task force which resulted in the introduction of a management by objectives program which is still used by Central National and which has become a model for the banking industry.

Chairman of Centran's Strategic Planning Committee was Charles W. Walton, then Senior Vice President and Economist of Central National Bank. Other members, all officers of Central National Bank, and their areas of responsibility were Charles S. Lawrence III, Executive Vice President of Central National Bank and Vice President of Centran, who represented the executive office; Albert J. DeGulis, Trust Department; Thomas W. Harris, Financial Planning; J. B. McCarter, Credit Review & Loan Policy; and A. W. Redmon, who replaced Steele as manager of Central's Operations and Data Processing departments.

The Strategic Planning Committee made three principal recommendations, all of which have been accepted by management and have earned widespread support within the organization. First, the primary corporate goal is to achieve a compound annual rate of growth in earnings per share of at least 12% over any consecutive three-year period. Second, it is necessary, in order to achieve this goal, to become a diversified financial holding company within the limits permitted by the Bank

A. W. Redmon, Thomas W. Harris, Albert J. DeGulis and Forde U. Steele

Ira P. Barsky and Charles W. Walton

Holding Company Act. Third, organizational changes in the corporate structure of Centran should keep pace as the number of affiliates grow in size and diversity in order to ensure proper management and control.

Various alternatives such as return on equity and growth in assets were considered before an "earnings per share" growth target was selected as our primary internal measure of performance. Of course, return on equity, growth in assets, debt to equity ratio and other important financial criteria will continue to be watched closely.

In selecting a specific target rate of growth, our objective was to choose one that we could deeply and realistically commit to achieve, and yet one high enough to be challenging and place Centran among the leaders in earnings growth. Our 12% target, to illustrate, would put Centran in the top quartile of large publicly-held companies in terms of earnings growth.

The committee then turned to the task of developing strategies by which this earnings goal could be met. The group soon reached the conclusion that realization of the earnings goal solely through internal growth or the acquisition of additional banks in Ohio would be difficult. It was, therefore, necessary for Centran to diversify functionally into non-bank financial businesses, both within Ohio and in other areas of the country.

Of the financially-related businesses in which bank holding companies can engage under existing regulatory interpretations, real estate financing in its various forms, leasing, consumer finance and investment advisory services were singled out as the four which offer the greatest profit potential at the present time. The committee further recommended that it would be preferable to enter the consumer finance field through the acquisition of existing companies, though in other fields of potential diversification it recognized the feasibility of entering a particular market by forming a new company.

Finally, companies acquired should be in markets which are growing more rapidly than Centran's present market. The two consumer finance companies which Centran has proposed to acquire, meet these criteria.

We are convinced, however, that unless proper management and control at the corporate as well as the affiliate level is exercised in conjunction with diversifications and expansion, desired results cannot be achieved. Consequently, executive and organizational changes have been recently initiated which recognize the changing nature of Centran and its contemplated future development.

Philosophy of Management and Control

When Centran became operational at the end of 1971 with two affiliates, the $1.4 billion Central National Bank of Cleveland and the $174 million American Bank of Commerce of Akron, it was feasible to have common management for Central National Bank and Centran, with the staff of Central National providing whatever outside services were needed by the American Bank of Commerce. However, this was recognized as a temporary expedient, pending the development of a parent company organization. We knew that the growth of Centran eventually would require a strong management team functioning at the parent company level.

As long as Central National Bank remains the dominant factor in the overall performance of Centran, it is logical that they continue to have a common chief executive officer. However, we recognized the need to develop a management team for Centran separate from that of Central National Bank, responsible for planning, acquisitions, and supervision and control of all affiliates other than Central National Bank. It will also, of course, guide corporate financial affairs, both short and long term, including investor relations. Primary responsibility for operating performance will remain at the affiliate level, since local management is in a better position to respond to local market conditions and special industry factors.

As a first step towards the development of a separate Centran management team, Charles W. Walton was elected Executive Vice President—and a Director—of Centran, and given responsibility for planning, acquisitions, finance and the supervision of non-bank affiliates. To work with Walton, Ira P. Barsky, who has had broad experience with several large diversified corporations, recently joined Centran as Corporate Counsel.

Another important aspect of Centran's management philosophy is the development of regional and functional groups of affiliates.

J. H. Beasore

For example, Jack H. Beasore, President of The Richland Trust Company, an affiliate bank with assets of $87 million located in Mansfield, Ohio, has retained certain supervisory and servicing responsibilities for The Farmers and Savings Bank of Loudonville with assets of $16 million, and The Sutton State Bank, located in Attica, with assets of $9 million, which, along with The Richland Trust Company, were affiliates of Mid-Ohio Banc-Shares before its acquisition by Centran. It is anticipated that if additional major bank affiliates are added in other areas of Ohio, new regional groups will be formed. Similarly, if the number of consumer finance affiliates grows, a financial services subsidiary may be formed to provide funding and other support for the finance company group.

Improving Operating Performance

In addition to the planning and organizational changes which took place during the past year at the corporate level, steps were taken to improve the operating performance of Centran's two largest affiliates, Central National Bank and the American Bank of Commerce.

During 1972, the commercial banking department of Central National was restructured. Senior Vice President Russell H. Eichman, who in May 1972 was named a director of Central National, works directly with the chief executive officer in new business development and the servicing of major corporate accounts. William E. Flack was promoted to Senior Vice President and put in charge of all commercial banking departments. Richard C. Anderson was named to head the Ohio Division; George C. Frank, Jr., the National Division; Lewis M. Goodman will continue to head the Metropolitan Division; and John F. Alteio, who joined Central National in June 1972, was named manager of the newly-established Special Industries Division.

This division was formed as a nucleus for a team of specialists to service companies in certain industries irrespective of their corporate domiciles. Initially, the Special Industries Division will concentrate on companies engaged in finance, mineral extraction and shipping, along with real estate investment trusts.

I. Barry Thompson, International Department Manager, Russell H. Eichman, Charles S. Lawrence III, and John F. Alteio

The year 1972 also saw Central National move closer to its goal of "bottom line" accountability and responsibility for all major income-producing departments. In February of 1971, Charles S. Lawrence III was given responsibility for all income-producing departments of Central National and the assignment of turning them into true profit centers in order to improve operating performance and aid management evaluation.

As noted previously, Central National has long had a management by objectives program. However, due to the lack of necessary data, departments were typically measured against deposit, loan and expense objectives rather than a net income goal. In late 1972, Central National went "on line" with an integrated Financial Information System which makes feasible complete bottom line accountability at the departmental level.

Centran and its affiliates wish to be good corporate citizens and have taken positive steps to assure that their policies and actions meet current needs of the communities which they serve. Frederick Lynch, Jr., Senior Vice President in charge of staff and community relations of Central National Bank, has been assigned substantially broader responsibility for evaluating and directing overall corporate goals and performance with respect to social, public and governmental affairs. In addition, John M. McEwan joined Central in February of this year to direct its marketing effort, having held a similar position at a major eastern bank.

John M. McEwan, Frederick Lynch, Jr. and head of Branch Banking, Alan G. Brant

Gerald M. Foley and John B. McCarter

The American Bank of Commerce came into being in 1969 when a large savings and loan company merged into a much smaller commercial bank. Consequently, few of the staff had any substantial commercial banking experience prior to its being acquired by Centran. At the time of acquisition, John B. McCarter, Vice President of Central National Bank, was designated liaison officer between ABC and Centran and elected a director of ABC. More recently, McCarter had been granted a temporary leave of absence from Central National and elected Executive Vice President of the American Bank of Commerce where he will work closely with Gerald M. Foley, President and Chief Executive, in further developing the commercial banking capabilities of the American Bank of Commerce. This attention has already produced results as profits at the American Bank of Commerce in 1972 were more than double those of 1971.

Thus as Centran begins its second year of operation, its management believes it knows where it wants to go and the best way to get there.

Corporate Financial Developments

In early April of 1972, there was a secondary offering of 285,000 shares of Centran common stock. These shares were issued by Centran to the selling shareholder in exchange for the convertible preferred stock previously issued to it in connection with the acquisition of the American Bank of Commerce. The shares were widely distributed with roughly 28% of the shares purchased by a total of 173 institutional investors and 72% by a total of 1,244 individuals.

In May of 1972, Centran's financial position was restructured by the public sale of $25 million principal amount debentures due in 1997.

The debentures were rated AA by Fitch Investors Services and were issued at par to yield 7.85%. Part of the proceeds were used to retire bank debt assumed in connection with the acquisitions of the American Bank of Commerce and Mid-Ohio Banc-Shares. The balance was temporarily invested through Centran's operating affiliates pending its use for future acquisitions and other general corporate purposes.

Part of the proceeds of the debenture offering will be used in Centran's two pending consumer finance company acquisitions. Peoples Investment Company will be acquired for part cash and part Centran common stock, while the acquisition of Major Finance Corporation will be an all cash transaction.

In June, Centran's Board of Directors authorized the purchase of up to 100,000 shares of the Corporation's common stock to be held as Treasury shares. In August it authorized the purchase of an additional 100,000 shares. This program was completed in November and reduced the number of common shares outstanding from 3,991,287 to 3,791,287.

Accounting Procedures

As is noted in the Chairman's Letter to Shareholders which appears earlier in this report, Centran's Consolidated Income Statements and average balance sheet accounts for 1972 and prior years have been restated to include accounts of The Richland Trust Company, The Sutton State Bank and The Farmers and Savings Bank which became affiliates of Centran on June 30, 1972 when Centran acquired Mid-Ohio Banc-Shares, Inc., in a "pooling-of-interests" transaction. Under pooling-of-interests accounting, consolidated financial statements of a surviving company are restated to include the accounts of acquired companies as though they had been part of the surviving company during the entire period for which financial information is presented. Data for Central National Bank are included in Centran's consolidated financial statements for all years since it also was acquired in a pooling-of-interests transaction.

However, Centran's Consolidated Income Statement and average balance sheet accounts for 1971 and prior years have not been restated to include the accounts of the American Bank of Commerce which was acquired at year-end 1971 in a purchase transaction. Under the purchase method of accounting, accounts of acquired companies are included only from date of acquisition. Since the American Bank of Commerce with total assets of $180 million at year-end 1972 accounts for roughly 9% of Centran's consolidated totals, this has the effect of distorting, without further explanations, comparisons of Centran's consolidated financial statements between the years 1971 and 1972 for most aggregate income, expense and average balance sheet accounts.

Therefore, in the following financial review, either the consolidated data is adjusted, where indicated, to make it comparable, or the analysis, as therein noted, is based upon Central National Bank's performance only. For many purposes, this latter treatment is logical. Because of the size of Central National Bank in relation to Centran's other operating affiliates, percentage changes in most categories of assets, liabilities, yields, income and expense for Central National are representative of changes for Centran on a consolidated basis.

Earnings — Centran

Consolidated income before security transactions amounted to $2.98 per share in 1972 compared with restated 1971 earnings of $2.92 per share and originally reported 1971 earnings of $3.01 per share.

Net Income after security transactions amounted to $3.09 per share in 1972 when security profits of $423,000, after tax effect, were realized. This was an increase of 12.4% over 1971's restated net income of $2.75 per share when security transactions resulted in a loss of $643,000 after tax effect.

Earning Assets — Loans

The following analysis is based on the results of Central National Bank only. However, as noted above, any conclusions to be drawn are applicable to Centran.

Total interest and fee income on portfolio loans, which represents almost two-thirds of Central's total income, was approximately the same in 1972 as in 1971. This final product resulted from a $33 million, or 4.8%, increase in average portfolio loans, offset by a 35 basis point decline in yield.

Total Portfolio Loans

	1972 Actual $ Thous.	Change from 1971
Income	51,268	—0—
Outstandings	705,832	+4.8%
Yield	7.26%	−35 basis points

Domestic commercial loan income fell $.6 million to $23.7 million, a decline of 2.4% from 1971. For the first three quarters of the year, loan demand was weaker than anticipated and average loans for the year as a whole were up 4.9%. This increase was insufficient to offset a 45 basis point drop in average yield.

Domestic Commercial Loans

	1972 Actual $ Thous.	Change from 1971
Income	23,699	−2.4%
Outstandings	387,489	+4.9%
Yield	6.12%	−45 basis points

Income on consumer installment loans was virtually unchanged in 1972 as a result of a slight decline in average outstandings and a small increase in yield. Volume for the year was 6.5% higher than the previous year. Volume increases were recorded in the home modernization and personal loan categories, while auto and consumer goods loan volume declined. The delinquency ratio — the number of accounts one month or more past due relative to the total number of accounts — declined and remained low by industry standards.

Consumer Installment Loans

	1972 Actual $ Thous.	Change from 1971
Income	13,457	−.2%
Outstandings	117,447	−.4%
Yield	11.46%	+3 basis points

Income on permanent mortgage loans, which are, largely on single family residences, increased by 3.7% due to increases in both average outstandings and yield.

Permanent Mortgage Loans

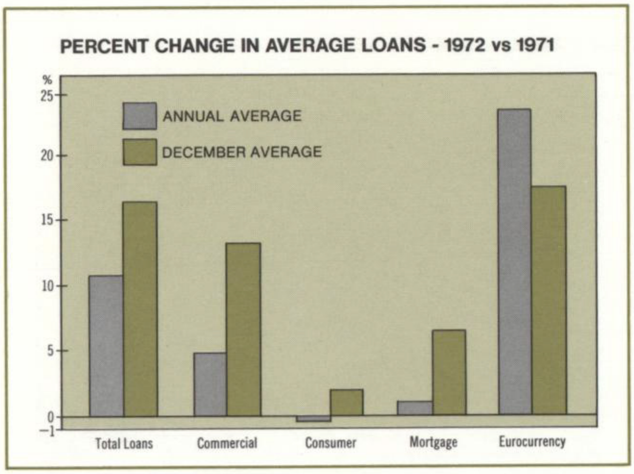
	1972 Actual $ Thous.	Change from 1971
Income	8,595	+3.7%
Outstandings	128,883	+1.1%
Yield	6.67%	+17 basis points

Income on Eurocurrency loans was up over 6% due to a strong 23% increase to $72 million in average outstandings, partially offset by a sharp decline of almost one and a quarter percentage points in average yield.

Eurocurrency Loans

	1972 Actual $ Thous.	Change from 1971
Income	5,517	+6.2%
Outstandings	72,013	+23.3%
Yield	7.66%	−123 basis points

Demand for most categories of loans strengthened as the year progressed and the increase in average outstandings for December 1972 over December 1971 was appreciably greater than the increase for the year as a whole.



Securities

Income on taxable securities — principally U.S. Treasury and government agencies — showed little change in 1972 versus 1971, with a slight decline in average holdings offset by a slight rise in average yield.

Tax-free securities showed a similar pattern; i.e., average holdings were down somewhat, but this was offset by a small increase in yield so that tax-exempt income showed little change on balance.

The size of the securities portfolio was not constrained by the unavailability of funds to support additional securities but rather by the expectation of rising interest rates, and thus lower security prices, and the desire to have sufficient liquidity to meet anticipated strong loan demand in 1973.

Security profits of $709,000 were realized in 1972. This contrasted with losses of $1,410,000 in 1971. After tax effect, security transactions resulted in net profits of $369,000 in 1972 versus a loss after tax effect of $733,000 in 1971.

Holdings of government securities had a book value of $120 million at year-end, with an average term to maturity of one year and nine months. The portfolio was comprised as follows:

Years	Par Value	% of Total	Book Value
Less than 1 yr.	$ 55,550,000	46.04%	$ 54,588,468
1 to 5 yrs.	61,672,000	51.11	62,387,996
5 to 10 yrs.	2,990,000	2.48	3,039,513
Over 10 yrs.	450,000	.37	453,585
Total	$120,662,000	100.00%	$120,469,562

At year-end, the portfolio of state and municipal securities had an average term to maturity of eight years and five months, comprised as follows:

Years	Par Value	% of Total	Book Value
Less than 1 yr.	$ 32,695,000	14.84%	$ 32,751,456
1 to 5 yrs.	41,595,000	18.88	42,653,260
5 to 10 yrs.	42,592,600	19.33	44,258,747
10 to 15 yrs.	76,615,000	34.77	78,888,762
15 to 20 yrs.	26,830,000	12.18	28,003,574
Total	$220,327,600	100.00%	$226,555,799

The market value of all securities was approximately $2,025,000 in excess of book value at December 31, 1972.

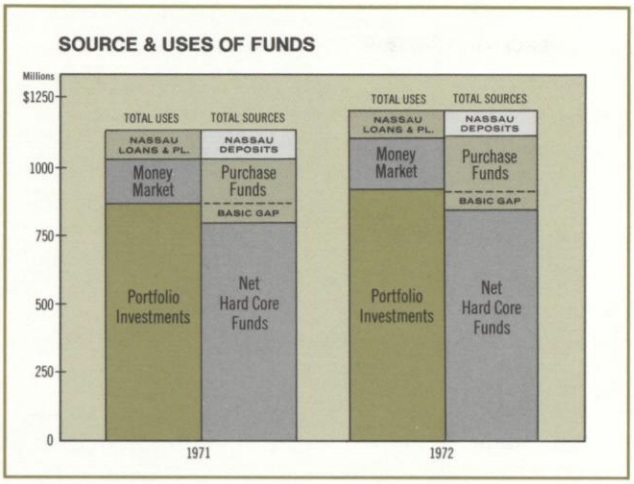
Money Market Transactions

During 1972, Central National increased substantially its money market operations. This activity involves primarily the purchase of short maturity money market instruments such as broker's call loans, prime commercial paper, bankers acceptances and the sale of federal funds at a spread of roughly three-eighths of one percent over the cost of funds — principally federal funds and funds borrowed under repurchase agreements — to support such investments. Holdings of money market instruments were up sharply in 1972 and averaged over $100 million for the year.

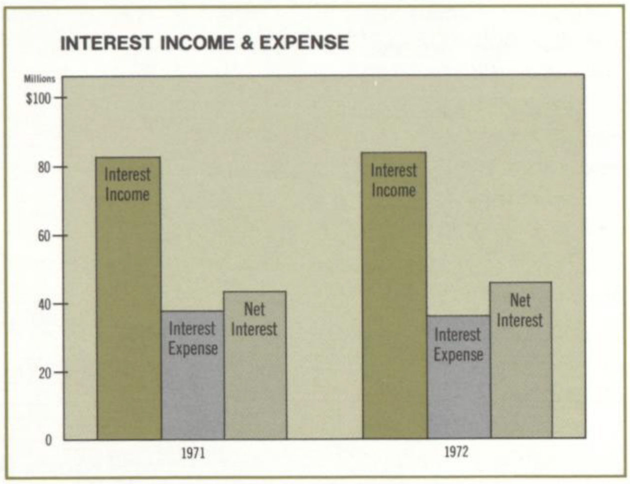
Sources and Uses of Funds

Central's system of asset and liability management is based on a twelve month forecast of "portfolio investments" which are defined as all loans other than money market and Eurocurrency loans and all securities of over one year maturity; and, "hard core" funds which are defined as all net investable demand deposits, savings accounts and savings certificates of individuals, plus capital and reserves. The difference between portfolio investments and hard core funds is designated as the "basic gap." If the basic gap is negative; i.e., portfolio investments exceed hard core funds, which was the case in 1972 as well as in 1971, it must be closed by acquiring "purchased" or "marginal" funds which include various forms of borrowings and certificates of deposit. In addition, estimates are made of the level of money market instruments including Treasury and tax-exempt securities of under one year maturity, and Eurocurrency loans which must be supported by additional purchased funds.

In 1972, portfolio investments increased $55 million or 6.3% against an increase in hard core funds of $35 million or 4.3%. Thus the basic gap widened from $63 million in 1971 to $83 million in 1972. Given our assumptions that monetary policy would remain relatively easy throughout 1972 and interest rates would increase only modestly, we felt comfortable in increasing purchased funds in order to support a higher level of portfolio investments and a continued high volume of money market instruments. Although certificates of deposit were readily available throughout the year, it was decided to continue to rely heavily on shorter maturity borrowed funds to minimize interest expense.



Partially as a result of these actions, net interest earned — the difference between interest income and interest expense — increased by $1.5 million in 1972.



Non-Interest Income

Total non-interest income of Central National Bank was $9.8 million, an increase of 4.3% over the previous year. The largest increases were in Trust Department fee income, which was up $417,000 or

13.5% over 1971, and International Department fee income which rose $387,000 over the previous year, a jump of 55%. Profits in the bank's bond trading account were down sharply from the previous year due to less favorable interest rate trends and market conditions.

Non-Interest Expense

In 1972, expenses other than the cost of funds remained under excellent control and rose only 4.9%. Employee compensation was up by 3.0% and other non-interest costs, exclusive of the provision for loan losses, rose 5.8%. These results were not achieved by "across the board" cuts or freezes in personnel costs or by borrowing from the future by deferring R & D expenses. Every effort was made to reward outstanding contributions to the bank's progress and continue to build for the future.

The provision for loan losses, which is based on net charge-offs for the most recent five-year period relative to average loans for the same period, was $2.6 million, an increase of $323,000 or 14.4% over 1971. However, actual charge-offs declined from $4,854,000 in 1971 to $1,766,000 in 1972.

Capital Accounts — Centran

Total capital accounts at the beginning of the year (as restated to include those of Mid-Ohio affiliates) amounted to $124,989,000.

During the year 285,000 shares of common stock were exchanged for the 150,000 shares of preferred stock outstanding at year-end 1971. Net income of $12,137,000 was added to Capital. Preferred and common stock dividends totaling $6,321,000 were paid from Capital. In the second half of the year 200,000 shares of common stock were purchased at an average price of $28.41, reducing Capital funds by $5,682,000.

Also during the year, $10,747,000 was transferred from Undivided Profits to Surplus.

At December 31, 1972, capital accounts totaled $125,109,000, and were comprised as follows:

	December 31 1972	December 31 1971
Capital Notes	$ 20,000,000	$ 20,000,000
Shareholders' Equity:		
Preferred Stock	—0—	6,675,000
Common Stock	31,930,296	29,650,296
Surplus	63,891,460	48,769,372
Undivided Profits	14,969,415	19,894,464
Less Treasury Stock	5,682,431	—0—
Total Shareholders' Equity	105,108,740	104,989,132
Total	$125,108,740	$124,989,132

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Consolidated Statement of Condition

Assets	**December 31, 1972**	**December 31, 1971**
Cash and Due from Banks	$ 305,157,176	$ 208,740,991
Investment Securities—Note C:		
U.S. Treasury	148,805,417	137,877,974
Federal Agency	33,133,476	41,691,847
State and Municipal	260,740,878	261,765,465
Other	10,430,972	8,916,178
Federal Funds Sold	8,550,000	7,100,000
Loans	1,109,433,731	967,939,973
Premises and Equipment—Note D	18,837,123	18,395,862
Other Assets	24,118,619	24,575,599
Total Assets	$1,919,207,392	$1,677,003,889
Liabilities, Reserve, and Capital		
Deposits:		
Demand	$ 653,929,145	$ 545,317,011
Savings	394,838,375	387,020,928
Other Time	533,727,650	474,557,031
Total Deposits	1,582,495,170	1,406,894,970
Federal Funds Purchased	61,555,000	62,353,000
Securities and Loans Sold under Agreements to Repurchase	76,100,000	25,020,000
Notes Payable	-0-	10,400,000
Debentures—7.85% due May 15, 1997—Note E	25,000,000	-0-
Other Liabilities	32,546,691	31,021,371
Total Liabilities	1,777,696,861	1,535,689,341
Reserve for Loan Losses—Note F	16,401,791	16,325,416
Capital:		
Capital Notes—4.75% due December 1, 1989	20,000,000	20,000,000
Shareholders' Equity—Notes E and G:		
Series A Convertible Preferred Stock	-0-	6,675,000
Common Stock	31,930,296	29,650,296
Surplus	63,891,460	48,769,372
Undivided Profits	14,969,415	19,894,464
Less—Common Stock in Treasury, at Cost	5,682,431	-0-
Total Shareholders' Equity	105,108,740	104,989,132
Total Capital	125,108,740	124,989,132
Total Liabilities, Reserve, and Capital	$1,919,207,392	$1,677,003,889

See notes to financial statements.

Consolidated Statement of Income

Operating Income	1972	1971
Interest and Fees on Loans	$ 69,453,176	$58,768,322
Interest on Federal Funds Sold and Securities Purchased under Agreements to Resell	1,537,914	822,318
Interest and Dividends on Investment Securities:		
U.S. Treasury	6,072,713	5,957,728
Federal Agency	1,862,989	609,341
State and Municipal	11,342,228	10,416,580
Other	597,292	222,104
Trust Department Fees	3,640,679	3,221,247
Other Income	7,894,237	9,218,152
Total Operating Income	102,401,228	89,235,792
Cost of Funds		
Interest on Deposits	41,423,635	37,054,912
Interest on Borrowed Funds	4,712,781	3,926,497
Interest on Debentures	1,117,535	-0-
Interest on Capital Notes—Note H	950,000	950,000
Taxes and Assessments—Note I	2,762,414	2,259,351
Total Cost of Funds	50,966,365	44,190,760
Operating Expense		
Salaries and Bonuses	17,291,013	15,237,640
Pensions, Profit Sharing and Other Employee Benefits	3,124,987	2,671,944
Net Occupancy	4,882,218	4,293,004
Equipment	2,231,116	1,861,390
Provision for Loan Losses	3,009,221	2,364,057
Other	8,932,395	7,311,482
Total Operating Expense	39,470,950	33,739,517
Income Before Income Taxes and Security Transactions	11,963,913	11,305,515
Income Taxes Thereon	249,514	484,904
Income Before Security Transactions	11,714,399	10,820,611
Security Gains (Losses) Less Tax of $366,884 in 1972 and Tax Reduction of $604,502 in 1971	423,017	(643,377)
Net Income	$ 12,137,416	$10,177,234
Per Share of Common Stock—Note K		
Income Before Security Transactions	$ 2.98	$ 2.92
Net Income	3.09	2.75

See notes to financial statements.

Consolidated Statement of Shareholders' Equity

	Preferred Stock	Common Stock	Surplus	Undivided Profits	Treasury Stock
Balance at January 1, 1971	$ -0-	$26,583,464	$35,136,117	$26,493,056	$ -0-
Acquisition Accounted for as a Pooling-of-Interests		3,053,632	3,357,374	417,781	
Balance at January 1, 1971 as Restated		29,637,096	38,493,491	26,910,837	
Net Income for the Year				10,177,234	
Cash Dividends Declared on Common Stock $1.60 Per Share				(5,319,333)	
Sale of 1,650 Common Shares under Stock Option Plan		13,200	27,800		
Transfer to Reserve for Loan Losses				(1,403,103)	
Transfer from Undivided Profits to Surplus			10,248,081	(10,248,081)	
Transactions of Pooled Company Prior to Acquisition				(223,090)	
Preferred Stock Issued in Connection with Acquisition of American Bank of Commerce	6,675,000				
Balance at December 31, 1971	6,675,000	29,650,296	48,769,372	19,894,464	-0-
Net Income for the Year				12,137,416	
Cash Dividends Declared:					
Preferred Stock				(137,500)	
Common Stock $1.70 Per Share				(6,183,517)	
Exchange of 150,000 Shares of Preferred Stock for 285,000 Shares of Common Stock	(6,675,000)	2,280,000	4,395,000		
Transfer from Reserve for Loan Losses				140,668	
Transfer from Undivided Profits to Surplus			10,747,331	(10,747,331)	
Transactions of Pooled Company Prior to Acquisition			(20,243)	(134,785)	
Purchase of 200,000 Common Shares for Treasury					5,682,431
Balance at December 31, 1972	$ -0-	$31,930,296	$63,891,460	$14,969,415	$ 5,682,431

See notes to financial statements.

Consolidated Statement of Changes in Financial Position

Source of Funds	1972	1971
From Operations:		
Net Income	$ 12,137,416	$ 10,177,234
Items Not Using Funds:		
Amortization of Investment Security Premiums	1,531,869	1,239,930
Provision for Depreciation and Amortization	1,357,684	1,070,887
Provision for Loan Losses	3,009,221	2,364,057
Provision for Deferred Income Taxes	(129,847)	1,295,172
Total from Operations	17,906,343	16,147,280
Increase in Liabilities:		
Deposits	175,600,200	187,873,990
Federal Funds Purchased and Securities and Loans Sold under Agreements to Repurchase	50,282,000	37,787,599
Notes Payable	-0-	9,900,000
Other Liabilities	1,525,320	13,859,883
Decrease in Assets:		
Cash and Due from Banks	-0-	25,225,029
Other Assets	456,980	-0-
Issuance of Debentures	25,000,000	-0-
Issuance of Preferred Stock	-0-	6,675,000
Reserve for Loan Losses of Bank Acquired in a Purchase Transaction	-0-	631,050
Proceeds from Sale of Common Shares under Option Plan	-0-	41,000
Exchange of Common Stock for Preferred Stock — $6,675,000 in 1972	-0-	-0-
TOTAL	$270,770,843	$298,140,831
Application of Funds		
Increase in Assets:		
Cash and Due from Banks	$ 96,416,185	$ -0-
Investment Securities—Net of Premium Amortization	4,391,148	66,741,030
Federal Funds Sold	1,450,000	1,500,000
Loans	141,493,758	208,484,809
Other Assets	-0-	5,624,538
Additions to Premises and Equipment — Net	1,798,945	5,195,619
Loan Losses — Net of Recoveries	2,662,331	5,031,281
Cash Dividends Declared	6,321,017	5,319,333
Retirement of Notes Payable	10,400,000	-0-
Purchase of Common Shares for Treasury	5,682,431	-0-
Transactions of Pooled Company Prior to Acquisition	155,028	244,221
TOTAL	$270,770,843	$298,140,831

See notes to financial statements.

Accountants' Report

Board of Directors
Centran Bancshares Corporation

We have examined the consolidated financial statements of Centran Bancshares Corporation and affiliates for the years ended December 31, 1972 and 1971. Our examinations were made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. We did not examine the financial statements of Mid-Ohio Banc-Shares, Inc. and subsidiaries for 1971, which statements reflect total assets and total operating income each constituting approximately 7% of the related consolidated totals for that year. These statements were examined by other auditors whose report thereon has been furnished to us and our opinion expressed herein insofar as it relates to the amounts included in 1971 for Mid-Ohio Banc-Shares, Inc. and subsidiaries, is based solely upon the report of the other auditors.

In our opinion, based upon our examinations and the aforementioned report of other auditors, the accompanying statements of condition, income, shareholders' equity and changes in financial position present fairly the consolidated financial position of Centran Bancshares Corporation and affiliates at December 31, 1972 and 1971, and the consolidated results of their operations and changes in shareholders' equity and financial position for the years then ended, in conformity with generally accepted accounting principles consistently applied.

Ernst + Ernst

Cleveland, Ohio
January 23, 1973

Notes to Financial Statements

Note A — Accounting Policies.

Consolidation. The consolidated financial statements include the accounts of Centran and its affiliates, all of which are at least 99% owned. All significant intercompany balances and transactions have been eliminated upon consolidation.

Investment Securities. Securities are carried at cost, adjusted for amortization of premiums.

Premises and Equipment. Premises and equipment, including leasehold improvements, are stated at cost less accumulated depreciation and amortization. Depreciation and amortization are determined primarily by the straight-line method.

Reserve for Loan Losses. For financial reporting purposes, the provision for loan losses included in operating expense is based on a five-year moving average ratio of net loan losses to average loans outstanding. For income tax purposes, additions to the reserve are made in accordance with applicable federal income tax law. The difference, net of tax effect, between the amount claimed for taxes and the loan loss provision included in operating expense, is charged or credited to undivided profits.

Operating Income. Interest on loans and securities is recognized in the period in which it is earned; trust department fees and income from certain other sources are recognized, for the most part, on a cash collected basis in accordance with banking industry practice.

Pension Plans. Pension plans cover substantially all employees and are funded by annual contributions to pension trusts.

Income Taxes. For income tax purposes, certain items of income and expense are reported in taxable years other than those in which such amounts are reported in financial statements. Net income is not affected by this practice, as tax consequences resulting therefrom are taken into consideration by providing for deferred income taxes. Investment tax credits, which are not material, are deferred and amortized over the approximate lives of assets which qualify for such credit.

Note B — Business Combinations. Centran became a bank holding company on December 31, 1971, by issuing 3,324,583 of its common shares in exchange for the outstanding shares of Central National Bank of Cleveland on a share-for-share basis. This exchange of shares was accounted for as a pooling-of-interests, and accordingly, the financial statements include the consolidated accounts of Central National Bank of Cleveland and its wholly-owned subsidiary, Central Cleveland International Bank.

Also, on December 31, 1971, Centran acquired American Bank of Commerce by assumption of $9,000,000 of indebtedness of the principal shareholder and by issuance of 150,000 shares of Centran's Series A Convertible Preferred Stock. This acquisition was accounted for as a purchase, and accordingly, the consolidated statement of income includes the operations of the American Bank of Commerce since the date of acquisition.

On June 30, 1972, Centran acquired all of the outstanding Capital Stock of Mid-Ohio Banc-Shares, Inc. by the exchange of 381,704 common shares of Centran. Upon consummation of the merger, Mid-Ohio's separate corporate existence ended, and its three affiliates, The Richland Trust Company, The Sutton State Bank, and The Farmers and Savings Bank became affiliates of Centran. This transaction was accounted for as a pooling-of-interests. Accordingly, the consolidated financial statements have been restated to include accounts of these banks for the years 1972 and 1971.

Notes to Financial Statements *continued*

Consolidated operating income and consolidated net income of Centran and Mid-Ohio for the first six months of 1972 and the year 1971 (periods before acquisition) were:

	First Six Months 1972 (Unaudited)	Year 1971
Consolidated Operating Income		
Centran	$45,485,213	$82,733,598
Mid-Ohio	3,437,261	6,502,194
	$48,922,474	$89,235,792
Consolidated Net Income		
Centran	$ 5,222,341	$ 9,272,586
Mid-Ohio	426,428	904,648
	$ 5,648,769	$10,177,234

On December 1, 1972, Centran entered into an agreement, subject to approval of regulatory authorities, to purchase the stock of Peoples Investment Company for $8,500,000, payable in installments (partially in common shares of Centran) over a period of five years.

On December 28, 1972, Centran entered into an agreement to purchase the Common Stock of Major Finance Corporation for a cash purchase price of $2,164,000. The agreement is subject to approval of shareholders of Major and regulatory authorities.

Note C — Investment Securities. Securities with a carrying value of $234,700,000 at December 31, 1972 were pledged to secure trust and public funds on deposit.

The approximate market value of investment securities was $455,400,000 at December 31, 1972 and $454,800,000 at December 31, 1971. At year-end 1972, the market value of securities was approximately $2,300,000 in excess of book value.

Note D — Premises and Equipment. Premises and equipment was comprised as follows:

	Dec. 31, 1972	Dec. 31, 1971
Land	$ 3,144,579	$ 2,802,586
Buildings	7,897,287	7,440,252
Leasehold Improvements	8,958,226	8,929,616
Equipment and Furniture	9,458,908	8,744,544
	29,459,000	27,916,998
Less Accumulated Depreciation and Amortization	10,621,877	9,521,136
	$18,837,123	$18,395,862

Certain premises, including the main office of Central National Bank, are occupied under long-term leases expiring at various dates. The aggregate annual rentals approximate $2,200,000, a principal portion of which continues to 1999.

Note E — Debentures. In June, 1972, Centran issued $25,000,000 principal amount of 7.85% Debentures due in 1997. The related indenture provides for annual sinking fund payments of $900,000 commencing in 1982. At the option of Centran, Debentures may be redeemed in 1982 at a price of 103.925% of the principal amount and at rates which decrease annually there-after. The indenture restricts cash dividends; undivided profits of $12,000,000 were unrestricted and therefore available for cash dividends at December 31, 1972.

Note F — Reserve for Loan Losses. An analysis of changes in the reserve for loan losses follows:

	1972	1971
Balance — Beginning of Year — Restated for Pooling-of-Interests . .	$16,325,416	$15,663,315
Provision for Loan Losses Charged (Credited) to:		
Operating Expense .	3,009,221	2,364,057
Undivided Profits . .	(140,668)	1,403,103
Deferred Income Taxes	(129,847)	1,295,172
Recoveries of Loans Previously Charged Off .	590,281	287,311
Reserve of Bank Acquired in a Purchase Transaction	—0—	631,050
	19,654,403	21,644,008
Loans Charged Off . . .	3,252,612	5,318,592
Balance—End of Year . .	$16,401,791	$16,325,416

That part of the reserve created by charges to operating expense and available to absorb loan losses was $11,560,000 at December 31, 1972, and $11,200,000 at December 31, 1971.

Note G — Capital Stock. Authorized capital stock consists of 500,000 shares of no par Serial Preferred Stock and 7,500,000 shares of $8.00 par Common Stock. At December 31, 1972 there were 3,791,287 shares of Common Stock outstanding, after deduction of 200,000 shares in treasury. There were 3,706,287 shares of Common Stock outstanding at December 31, 1971.

Note H — Federal Income Tax Settlement. In 1969, the Internal Revenue Service proposed to disallow deductions claimed for interest paid on Capital Notes for all years subsequent to 1964. In 1972, the IRS ruled that such deductions were allowable.

Note I — Taxes and Assessments. Amounts included in this classification are Ohio deposit tax, Ohio capital stock tax, Federal Deposit Insurance assessment and bank examination assessment.

Note J — Pension Plans. Pension expense amounted to $744,000 in 1972 and $626,000 in 1971. At December 31, 1972, the value of pension fund assets exceeded vested benefits under the plans, and past-service costs are fully funded.

Note K — Income per Common Share. Income per common share is based on the average number of shares outstanding after giving effect to pooling-of-interests, and assumed exchange as of January 1, 1972 of 150,000 shares of Series A Convertible Preferred Stock for 285,000 shares of Common Stock.

Six Year Comparative Summary

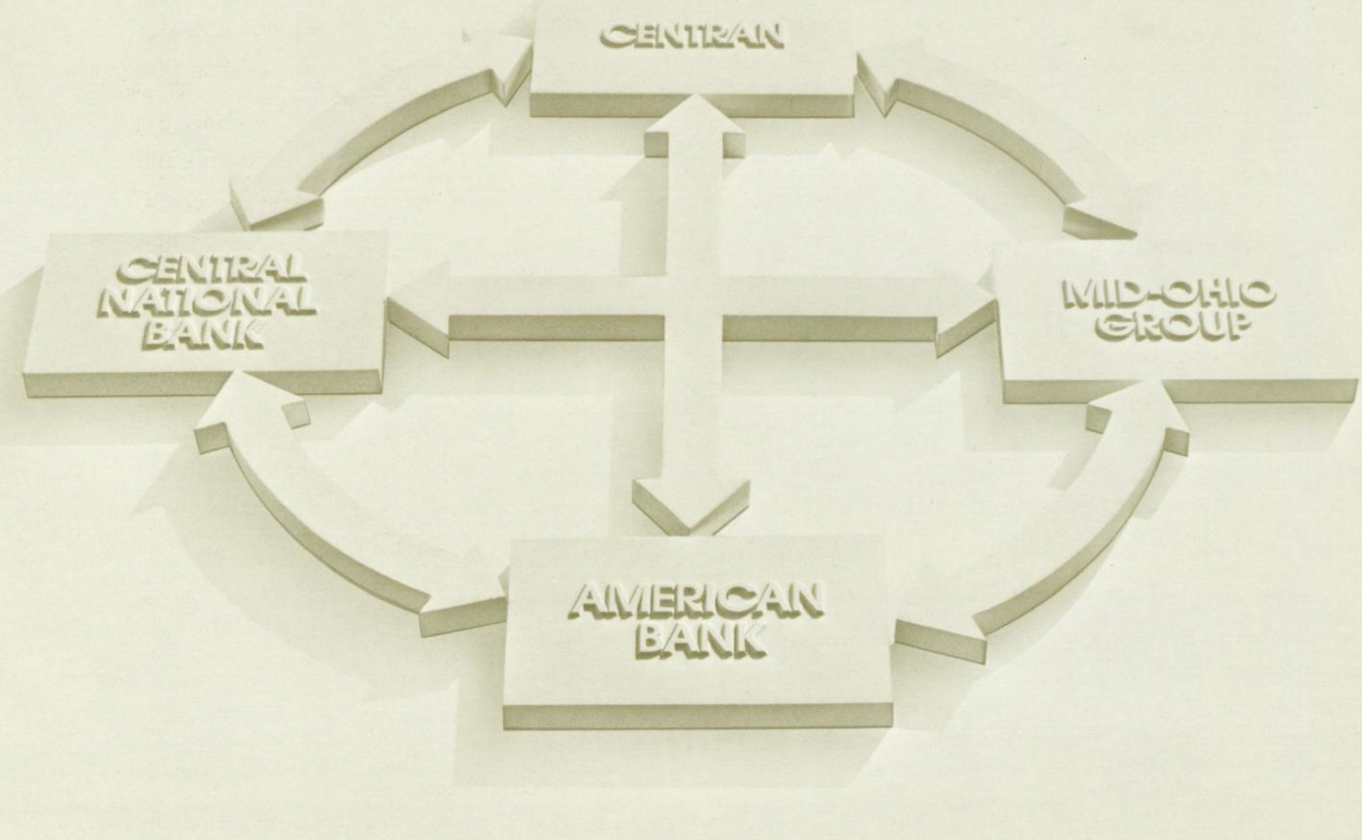
In Thousands of Dollars	1972	1971	1970	1969	1968	1967
Selected Balance Sheet Averages (a)						
Securities—Taxable	$ 162,300	$ 130,960	$ 125,748	$ 127,058	$ 160,972	$ 156,152
Securities—Non-Taxable	257,472	242,922	201,481	205,684	226,085	229,008
Total Securities	419,772	373,882	327,229	332,742	387,057	385,160
Commercial Loans	528,397	471,593	410,507	404,376	358,676	316,211
Consumer Loans	149,712	128,535	132,342	122,567	98,677	85,910
Permanent Mortgage Loans	244,565	152,333	158,266	157,176	142,363	128,723
Total Portfolio Loans	922,674	752,461	701,115	684,119	599,716	530,844
Temporary Investment Loans	93,626	38,974	23,203	19,281	25,749	39,101
Total Assets/Liabilities	$1,769,048	$1,431,124	$1,305,282	$1,238,277	$1,198,047	$1,124,026
Demand Deposits	$ 564,200	$ 482,316	$ 463,093	$ 468,662	$ 454,773	$ 425,150
Savings Deposits	386,339	306,735	290,717	295,754	301,603	297,326
Savings Certificates—Individuals	225,788	148,500	132,556	126,336	102,891	73,028
Other Time Deposits	286,066	268,683	201,445	155,386	181,467	169,920
Total Deposits	1,462,393	1,206,234	1,087,811	1,046,138	1,040,734	965,424
Borrowed Funds	131,602	81,607	76,607	63,095	39,820	44,596
Reserve for Loan Losses	16,759	14,588	15,451	15,389	15,277	14,994
Capital Notes	20,000	20,000	20,000	20,000	20,000	20,000
Shareholders' Equity	106,629	95,923	93,788	88,989	81,077	76,014
Earnings						
Security Income—Taxable	$ 8,533	$ 6,789	$ 7,396	$ 6,899	$ 8,669	$ 7,376
Security Income—Non-Taxable	11,342	10,417	8,364	7,586	7,909	7,693
Commercial Loan Income	34,200	33,023	34,102	31,191	23,596	19,227
Consumer Loan Income	16,716	14,612	15,448	13,436	10,378	8,866
Permanent Mortgage Loan Income	16,114	10,020	10,190	9,756	8,455	7,366
Temporary Investment Loan Income	3,961	1,935	1,617	1,603	1,502	1,963
Other Income	11,535	12,440	12,240	8,084	6,763	6,207
Total Operating Income	102,401	89,236	89,357	78,555	67,272	58,698
Cost of Funds	50,966	44,191	43,866	35,371	31,335	27,566
Salaries and Employee Benefits	20,416	17,910	17,771	15,538	13,758	12,408
Provision for Loan Losses	3,009	2,364	1,299	655	569	604
Other Operating Expenses	16,046	13,466	13,176	10,440	9,125	7,536
Income Taxes	250	485	2,096	4,298	2,019	1,080
Total Expense	90,687	78,416	78,208	66,302	56,806	49,194
Operating Income	11,714	10,820	11,149	12,253	10,466	9,504
Security Transactions After Taxes	423	(643)	(1,401)	(2,007)	(1,241)	1,343
Net Income	$ 12,137	$ 10,177	$ 9,748	$ 10,246	$ 9,225	$ 10,847

Data includes accounts of the Mid-Ohio Group for all periods and those of American Bank of Commerce for 1972 only.

	1972	1971	1970	1969	1968	1967
Yields on Assets (b)						
Securities—Taxable	5.65%	5.37%	5.88%	5.43%	5.39%	4.72%
Securities—Non-Taxable	8.49	8.25	8.17	7.81	7.41	6.46
Commercial Loans	6.33	6.87	8.30	7.66	6.51	6.00
Consumer Loans	11.17	11.37	11.67	10.96	10.52	10.32
Permanent Mortgage Loans	6.59	6.58	6.44	6.21	5.94	5.72
Temporary Investment Loans	4.81	4.96	6.97	8.31	5.83	5.02
Composite Yield	7.11	7.39	8.10	7.60	6.83	6.21
Effective Interest Rates Paid						
Savings	3.90%	4.03%	4.25%	3.73%	3.74%	3.75%
Savings Certificates—Individuals	5.22	5.35	5.30	5.07	5.05	4.92
Other Time Deposits	5.09	6.23	7.80	6.32	5.38	4.90
Borrowed Funds	4.88	4.81	7.50	8.19	5.70	4.17
Composite Rate Paid	4.64	5.09	5.82	5.06	4.55	4.26
Ratios (c)						
Operating Income/Gross Income	11.44%	12.13%	12.48%	15.60%	15.56%	16.19%
Return on Shareholders' Equity	11.38	10.61	10.39	11.51	11.38	14.27
Loans as a % of Assets	57.45	55.30	55.49	56.80	52.21	50.71
Capital Funds as a % of Assets	7.16	8.10	8.72	8.80	8.44	8.54
Percent of Operating Revenue to Total Assets	5.79	6.24	6.85	6.34	5.62	5.22
Percent of Operating Income (Income Before Security Transactions) to Total Assets	.662	.756	.854	.990	.874	.846
Percent of Net Charge Offs to Total Loans	.262	.636	.492	.109	.071	.093
Percent of Total Deposits (c)						
Demand Deposits	38.58%	39.99%	42.57%	44.80%	43.70%	44.04%
Savings Deposits	26.42	25.43	26.72	28.27	28.98	30.80
Savings Certificates—Individuals	15.44	12.31	12.19	12.08	9.88	7.56
Other Time Deposits	19.56	22.27	18.52	14.85	17.44	17.60
Total Deposits	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Per Share Data						
Income before Security Transactions (d)	$ 2.98	$ 2.92	$ 3.01	$ 3.31	$ 2.88	$ 2.63
Net Income (d)	3.09	2.75	2.63	2.77	2.54	3.01
Dividends (e)	1.70	1.60	1.53	1.33	1.20	1.09
Book Value at Year-End (f)	27.72	26.30	25.66	24.77	23.30	21.90
Average Shares Outstanding	3,930,547	3,706,160	3,703,359	3,701,980	3,638,800	3,607,601

(a) Inter-company accounts not eliminated.
(b) Stated on a fully taxable equivalent basis.
(c) Based on average balances.
(d) Based on average number of shares outstanding adjusted for stock dividends and stock splits.
(e) Adjusted for three for two stock split May, 1970, 10% stock dividend, March, 1968. Prior to 1972 dividends reported are those of Central National Bank of Cleveland.
(f) Based on number of shares outstanding at year-ends adjusted for stock dividends and stock splits.

Partners in Growth


CENTRAN
CENTRAL NATIONAL BANK
MID-OHIO GROUP
AMERICAN BANK

Statement of Condition

Assets	**December 31, 1972**	**December 31, 1971**
Cash and Due from Banks	$ 297,399,119	$ 200,286,578
U. S. Treasury Securities	120,469,564	110,776,782
Federal Agency Obligations	20,654,562	30,257,768
State and Municipal Securities	226,555,799	234,561,818
Other Securities	4,936,956	4,601,194
Federal Funds Sold	9,250,000	7,700,000
Loans	923,511,071	783,689,078
Premises and Equipment	12,643,115	12,395,935
Other Assets	20,911,012	21,419,330
Total Assets	$1,636,331,198	$1,405,688,483
Liabilities, Reserve, and Capital		
Deposits	$1,333,530,546	$1,165,679,434
Federal Funds Purchased	63,055,000	62,353,000
Securities and Loans Sold Under Agreements to Repurchase	80,200,000	25,020,000
Other Liabilities	29,406,559	26,963,996
Total Liabilities	1,506,192,105	1,280,016,430
Reserve for Loan Losses	14,645,404	14,591,885
Capital Accounts:		
Capital Notes (4¾% Due 1989)	20,000,000	20,000,000
Shareholders' Equity:		
Capital Stock	26,796,664	26,796,664
Surplus	55,203,917	45,203,917
Undivided Profits	13,493,108	19,079,587
Total Shareholders' Equity	95,493,689	91,080,168
Total Capital	115,493,689	111,080,168
Total Liabilities, Reserve, and Capital	$1,636,331,198	$1,405,688,483

Includes the accounts of the Bank's subsidiary, Central Cleveland International Bank, New York, N.Y.

Officers

Executive Office

JOHN A. GELBACH	Chairman and President
CHARLES S. LAWRENCE III	Executive Vice President
ANN M. EIGHMY	Assistant Vice President-Administration

Senior Vice Presidents

RUSSELL H. EICHMAN
WILLIAM E. FLACK
THOMAS W. HARRIS
FREDERICK LYNCH, JR.
FORDE U. STEELE
CHARLES W. WALTON

Statement of Condition

Assets	**December 31, 1972**
Cash and Due from Banks	$ 7,170,047
U. S. Treasury Securities	11,279,850
Federal Agency Obligations	11,778,913
State and Municipal Securities	15,615,231
Other Securities	5,494,016
Federal Funds Sold	1,500,000
Loans	121,907,504
Premises and Equipment	3,915,143
Other Assets	1,541,114
Total Assets	$180,201,818
Liabilities, Reserves, and Capital	
Deposits	$157,628,861
Borrowed Funds	3,700,000
Other Liabilities	721,635
Total Liabilities	162,050,496
Reserve for Loan Losses	564,317
General Reserve	8,546,539
Capital Accounts:	
Capital Stock	4,473,105
Surplus	4,473,105
Undivided Profits	94,256
Total Capital	9,040,466
Total Liabilities, Reserves, and Capital	$180,201,818

Officers

GERALD M. FOLEY President and Chief Executive Officer
JOHN B. McCARTER Executive Vice President

Vice Presidents

JAMES M. BRAY
L. T. BUTTERMORE
JOHN M. CARROLL
PHILIP M. HAMILTON
WILLIAM T. MOORE
THOMAS J. OSBORNE
HENRY L. PALOMBO
WILLIAM H. PARMELEE
MALCOLM ROWAN
JOHN W. WRESSELL

Statement of Condition

	THE RICHLAND TRUST COMPANY (a) December 31, 1972	THE FARMERS AND SAVINGS BANK December 31, 1972	THE SUTTON STATE BANK December 31, 1972
Assets			
Cash and Due from Banks	$ 6,532,367	$ 1,311,679	$ 495,794
U. S. Treasury Securities	13,090,307	2,294,439	1,671,256
Federal Agency Obligations	500,000	200,000	-0-
State and Municipal Securities	13,393,126	3,541,702	1,635,020
Federal Funds Sold	-0-	600,000	50,000
Loans	51,402,692	7,660,464	4,951,999
Premises and Equipment	1,840,018	352,225	86,622
Other Assets	894,925	178,161	119,980
Total Assets	$87,653,435	$16,138,670	$ 9,010,671
Liabilities, Reserves, and Capital			
Deposits	$77,042,158	$14,589,573	$ 8,119,469
Borrowed Funds	1,300,000	-0-	-0-
Other Liabilities	1,652,997	179,120	90,772
Total Liabilities	79,995,155	14,768,693	8,210,241
Reserve for Loan Losses	967,736	135,749	88,585
Capital Accounts:			
Capital Stock	1,457,000	300,000	146,400
Surplus	4,543,000	700,000	353,600
Undivided Profits	690,544	234,228	211,845
Total Capital	6,690.544	1,234,228	711,845
Total Liabilities, Reserves, and Capital	$87,653,435	$16,138,670	$ 9,010,671

(a) Includes the accounts of the Bank's subsidiary, Mid-Ohio Building Corporation.

Officers

THE RICHLAND TRUST COMPANY

J. H. BEASORE	President and Chief Executive Officer

Senior Vice Presidents

S. A. FOLTZ
DONN A. KIEFT
G. W. SENNISH, JR.

Vice Presidents

RICHARD L. ADAMS
W. R. McCULLOUGH
HARLAN McDAID
JESSE T. MICKLEY
GORDON J. SEVOLD
D. EUGENE YARGER
JOSEPH O. WEIRICK

THE FARMERS AND SAVINGS BANK

R. E. ARNHOLT	President
JAMES W. KOCH	Vice President

THE SUTTON STATE BANK

J. V. AYRES	Chairman
A. J. SUTTON	President

Directors

John A. Gelbach	*Chairman and President*
Edward L. Carpenter	*Honorary Chairman of the Board, Central National Bank of Cleveland*
Gregory S. De Vine	*Chairman of the Board, Baltimore & Ohio Railroad* *Chairman of the Executive Committee, Chesapeake & Ohio Railway*
George S. Dively	*Chairman of the Executive & Finance Committee, Harris-Intertype Corporation*
John J. Dwyer	*President, Oglebay Norton Company*
Frederick R. Eckley	*President, The Ohio Bell Telephone Co.*
Robert L. Fairbank	*Retired*
George M. Feiel	*Retired*
William F. Hauserman	*President, Hauserman, Inc.*
J. Robert Killpack	*Vice President—Finance, Eaton Corporation*
Charles S. Lawrence, III	*Executive Vice President, Central National Bank of Cleveland*
George S. Lockwood, Jr.	*Chairman of the Board, Cleveland Steel Container Corp.*
Morton L. Mandel	*Chairman of the Board, Premier Industrial Corporation*
Harry T. Marks	*Chairman and Chief Executive, Ferro Corporation*
Robert D. McCreery	*President, H. L. McCreery & Son, Inc.*
Thomas A. Quintrell	*Partner, Arter & Hadden*
Karl H. Rudolph	*President and Chief Executive, The Cleveland Electric Illuminating Company*
Edward W. Sloan, Jr.	*Director and Consultant, Oglebay Norton Company*
Donald G. Stevens	*Senior Vice President, The Standard Oil Company (Ohio)*
Arthur B. Tillman	*Senior Vice President, Diamond Shamrock Corporation*
Charles W. Walton	*Executive Vice President*

Officers

John A. Gelbach	*Chairman and President*
Charles W. Walton	*Executive Vice President*
Charles S. Lawrence, III	*Vice President*
Thomas W. Harris	*Treasurer*
Ira P. Barsky	*Corporate Counsel*
Hubert P. Martin	*Secretary*
Richard H. Braucher	*Assistant Secretary*

His friends and associates at Centran Bancshares Corporation and Central National Bank were saddened by the death on November 7, 1972 of Mark A. Loofbourrow, partner in the law firm of Squire, Sanders & Dempsey. Mr. Loofbourrow had been a member of Centran's Board since its inception in 1971, and an active member of Central National's Board since 1958. During his tenure on both Boards, his astute judgment and keen legal knowledge were a valuable asset.

Domestic Affiliates

Central National Bank of Cleveland
800 Superior Avenue
Cleveland, Ohio 44114
Telephone: (216) 861-7800

Wholly owned subsidiary:

Central Cleveland International Bank
40 Wall Street, New York, N. Y. 10005
Telephone: (212) 344-8600
TELEX: 127-779 CENTRALINT
Cable: "Cenclevint"

American Bank of Commerce
157 South Main Street
Akron, Ohio 44308
Telephone: (216) 434-1681

MID-OHIO GROUP
The Richland Trust Company
3 North Main Street
Mansfield, Ohio 44901
Telephone: (419) 522-4411

The Sutton State Bank
1 South Main Street
Attica, Ohio 44807

The Farmers & Savings Bank
120 North Water Street
Loudonville, Ohio 44842

Affiliate banks are members of Federal Deposit Insurance Corporation

Overseas Facilities and Associations

Paris Representative Office
33, rue Galilée 75016 Paris, France
TELEX: 62615 Paris

London Representative Office
Grocers Hall
Princess Street EC2
London, England
Cable: "Centran London"

Nassau Branch
P.O. Box 7768
The Bahamas

Associations with:
Banque Occidentale pour l'Industrie
et le Commerce
Paris, France

Deltec Pan-America, Ltd.

Private Export Financing Corporation (PEFCO)

Plus a world-wide network of correspondent banks

Early this year, the headquarters of Centran Bancshares Corporation was relocated from Suite IIII, 1828 L Street, NW, Washington, D.C., to One Central National Bank Building, Cleveland, Ohio 44114. Telephone: (216) 687-1200.

Centran Bancshares Corporation
ONE CENTRAL NATIONAL BANK BUILDING • CLEVELAND, OHIO 44114

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